

# Declaration of Trust

(Public Housing Modernization Grant Projects)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

**Whereas**, (1, see instructions) \_\_\_\_\_  
(herein called the Public Housing Agency (PHA), a public body corporate and politic, duly created and organized pursuant to and in accordance with the provisions of the laws of the (2) \_\_\_\_\_, and the United States of America, Secretary of Housing and Urban Development (herein called HUD) pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624) entered into a certain contract with the effective date as of (mm/dd/yyyy) (3) \_\_\_\_\_, (herein called the Annual Contributions Contract) and a certain Modernization Project Grant Amendment to the Annual Contributions Contract with the effective date as of (mm/dd/yyyy) (4) \_\_\_\_\_, (herein called the Modernization Grant Amendment) providing for a grant to be made by HUD to assist the PHA in modernizing lower income housing project(s); and

**Whereas**, as of the date of the execution of this Declaration of Trust, the Modernization Grant Amendment and the Annual Contributions Contract cover certain individual lower income housing projects located in: (5) \_\_\_\_\_ which will provide approximately (6) \_\_\_\_\_ dwelling units; and which lower income housing projects are known as Modernization Project No. (7) \_\_\_\_\_ and individual projects as follows:  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units,  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units, and  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units; and

**Whereas**, the modernization of each Project will have been financed with grant assistance provided by HUD.

**Now Therefore**, to assure HUD of the performance by the PHA of the covenants contained in the Modernization Grant Amendment and the Annual Contributions Contract, the PHA does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of HUD, for the purposes herein stated, the following described real property situated in: (9)

**To Wit:** (Insert legal description for each individual project. )(10)

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The PHA hereby declares and acknowledges that during the existence of the trust hereby created, HUD has been granted and is possessed of an interest in the above described Project property, **To Wit:**

The right to require the PHA to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts therefrom or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Modernization Grant Amendment and the Annual Contributions Contract, or any interest in any of the same except that the PHA may (1) to the extent and in the manner provided in the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in any Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of any Project, or (c) convey or dedicate land for use as streets, alleys, or other public right-of-way, and grant easements for the establishment, operation, and maintenance of public utilities; or (d) enter into and perform contracts for the sale of dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, or (2) with the approval of HUD, release any Project from the trust hereby created; Provided, That nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery of possession of any Project to HUD pursuant to the Annual Contributions Contract.

The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the PHA of any real or personal property which is determined to be excess to the needs of any Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public right-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family, or (4) upon any instrument of release made by the PHA of any Project shall be effective to release such property from the trust hereby created.

The individual projects covered by the Modernization Grant Amendment shall be subject to this Declaration of Trust for a period of twenty years beginning on the date of the Modernization Grant Amendment. Each individual project shall also be subject to this Declaration of Trust for a period of twenty years after the date of the most recent Modernization Grant Amendment applicable to that project. Upon expiration of the period during which the PHA is obligated to operate the individual projects in accordance with the Annual Contributions Contract, the trust hereby created shall terminate and no longer be effective.

**In Witness Whereof**, the PHA by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this date (mm/dd/yyyy) \_\_\_\_\_.

(Seal)

(1, see instructions)

By \_\_\_\_\_ Chairperson

Attest \_\_\_\_\_ Secretary

Date (mm/dd/yyyy) \_\_\_\_\_

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**Instructions for Completing form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects)**

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Promptly after execution of an ACC Modernization Grant Amendment, HUD Counsel shall prepare and transfer to the PHA, form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects), which shall cover all of the individual projects included in the modernization grant project. The letter transmitting the Declaration of Trust shall instruct the PHA to complete, execute, and record the Declaration of Trust and provide HUD Counsel with a copy as soon as it has been recorded. (Counsel for the PHA will be responsible for providing the legal description for the individual projects if HUD Counsel does not have this information in his/her files.)

The following instructions pertain to the use of the blank spaces in form HUD-52190-B:

1. Insert the name of the Public Housing Agency as it appears in the Modernization Grant Amendment.
2. Insert the name of the general governmental unit, indicating whether it is a State or Commonwealth.
3. Insert the date of the Annual Contributions Contract which has been amended by addition of the Modernization Grant Amendment.
4. Insert the effective date of the Modernization Grant Amendment.
5. Insert the names of the political subdivisions in which the housing projects covered by the Modernization Grant Amendment are located, e.g., City of \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_.
6. Insert the approximate total number of units included in the modernization grant project.
7. Insert the modernization project number.
8. Insert the individual project number and approximate number of units for each individual project included in the modernization grant project. If more than three projects are included, add additional entries.
9. Same as Item 5.
10. Insert legal description for each individual project or of each individual unit comprising a project (e.g., single-family detached or semi-detached units operated in accordance with the Turnkey III or other Homeownership Program.)